G. R. S. IX-5]

Previous references.

File No. 57-18

1918.

(Geol)

Serial Nos. 15, 16, 1c

Later references.

Geol 23-41-1-4

(20)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Three

Part B for June 19

SUBJECT.

Question of mineral exploitation in the State and the policy to be adopted in the disposal of applications for mineral licenses and leases.

(1c) From, Mng Director, Dept of Mines & Geology
No 1336 D 21.11.1918

Submits a note containing his views in the matter of introducing rules for the grant of mineral licenses & leases, Certain features in the mining laws in force in certain foreign countries

W D 1250—GPB—30,000 - 28-1-19

Rec
11.6.

G. R. S. III—1] 1918-19

GENERAL AND REVENUE SECRETARIAT.

(Geol)

NOTES.

File No. 57-18

FILE HEADING.

Question of mineral exploitation in the State & the Policy to be adopted in the disposal of applications for mineral leases & Leases.

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

NOTES—First Sheet.

WD 249—GPB—2,000—2-8-18

Geol 57-(illegible)

Office of the Dewan of Mysore.

NOTE.

Dated 25th September *191* 8.

A note prepared by Mr. M.G. Rangaiya Under Secretary, at my request about Mining Laws in foreign countries is forwarded, with compliments, to the Extra Member of Council.

2. I shall be obliged if the whole question is examined by both the Departmental and Secretariat Officers and returned with definite recommendations with a view to future practical action.

3. The Under Secretary will wait on the Member if, and when, required.

25.9.18 dd

4. The Director, M & G. may be asked to go into the matter. Scrutinise the details & let us have his recommendations in the matter. On receipt of this, the matter will be dealt with in the Legislative branch before it is put up to for further orders. This reference will be treated as Urgent right through

Reed
26.9.18.

T° 2418
25-9-18

REPLY.

(*To be written on this margin.*)

947-217
25.9.18

5. Asst Secy 2nd
for early action.
27/9/1918

6
Branch.
Make a copy of note for working up here, & Take action as ordered above
27/9

6162

G. R. S. III-2]

General and Revenue Secretariat. | Genl File No. 57 of 1918.

Serial No.

7 Submitted with a draft
AHS 28-9-18 Ely & Some Resubmit
Ans
VS

To The Offg Director, Dept of Geology
13 No. G.6661 D. 30-9-18.

Forwards a copy of the note prepared by the Under Secretary on duty with the Devan about Mining laws in force in three foreign countries & requests that the whole question may be examined & that definite recommendations as regards embodying these features into the rules in force in the State may be submitted early.

9 Represented
AHS 1-10-18. Ely

From The Land Officer
14 No. 9664 D. 2-10-18.

Requests with reference to the above that his office files leading to the issue of the rules of 1904 & 1910 in regard to the mining leases may be returned to him for reference.

11 The files Submitted in question have been sent to the Private Secretary to the Devan as desired by him. If approved this file may be sent to the Devan's office for returning the files referred to by the Director.

AHS 10-10-18 Ely 12 Ely 12/10/18

NOTE—Contn. sheet. Mis 564 24-10-18

The files hence received & draft letter issued.

WD A 1789—GPB—60,000—20-3-18—S.

8214
6162

G. R. S. III-2]

General and Revenue Secretariat.

Geo File No. 57 of 1918-19

Serial No.	
1	Asst Dir Offg Director Dept of Geology No 1336 Dy 21-11-18 submits a note containing his views in regard to introducing into present rules for the grant of mineral licenses & leases, certain features in the mining laws in force in certain foreign countries.
	Submitted
	Ans 23-11-18.
	As the question of revision of rules is separately under consideration, these papers, if approved, will be filed.
	Ans 11-6-19. Yes please Mw 12/6

Reference paragraphs 1-8 above.

Keep this in the Branch till Dr Smeeth sends his opinion. Mw 8/2.

Sub B/

CHIEF SECRETARY'S OFFICE FEB 1919 BOMBAY

12 JUN 1919 B

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-3-18—S.

30-9-18
4-15 PM

G. R. S. V1—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to .. ..

GENERAL AND REVENUE SECRETARIAT

( )

, the *191* .

Date of issue 30-9-18

Signed by Asst Secy

Section Genl
File No. 57-C
Serial No. ~~11~~ 13

No. G 666/Genl

To

The offg director, dept of geology

Sir,

I am directed to forward herewith for the U Secy's with the Govt's force in sme a note prepared about Mining Laws in foreign countries and to request that the whole question may be examined and definite recommendations as regards ~~the~~ embodiment ~~of these in the rules of~~ these features in the mining laws of the countries referred to into the rules in force in the State may be ~~sent~~ submitted at a very early date. The matter may kindly be treated as urgent.

I have etc

for Secretary to Govt

Ug/28/9/18

Note. A

There are some features in the Mining Laws of some foreign States named in the margin which may perhaps be advantageously embodied in our rules relating to the grant of prospecting and mining licenses.

New Zealand.
Western Australia.
Victoria.
Quebec.
Transvaal.
Southern Rhodesia.
South Australia.

Miner's Right

2. Every person who intends to prospect or mine in a State is required in some States to take a 'Miner's certificate' or a 'Miner's right' on payment of a license fee to qualify him to become a prospector or a miner. This right or certificate does not relieve him of the obligation of getting prospecting or mining licenses. It only recognises him as one who can get a mining or prospecting license on duly applying for the same. But before actually getting a license, he would be privileged to select and mark off certain areas which he intends to prospect.

As it has been thought desirable to restrict the field of mining enterprise only to Mysoreans born or domiciled, the issue of these certificates may be restricted to Mysoreans. The certificates are to be granted for one year at a time and are to be non-transferable.

Prospecting License.

3. In regard to the prospecting licenses, the maximum area ~~for~~ which a person may apply is 10 square miles under our rules. In none of the other

countries named above has the limit been fixed at anything like this figure, the maximum there being about 1 square mile or 640 acres - Vide statement attached. In some cases, it is as low as even 18 acres. Our limit is much too large and it enables speculators to keep out other people interested in mining. It is desirable to reduce the maximum limit to 1 square mile.

4. Another wholesome rule which we may also copy is that when prospecting licenses are renewed, the rents are proportionately increased according to the number of the renewal. For instance, in New Zealand, the rent charged is

for the first 2 years - 1d. per acre.
3rd year - 2d. ,,
4th ,, - 3d. ,,
5th ,, - 6d. ,,

This rule seems to be a sound one as it may prevent the same man applying for renewal of an indefinite number. The increase of rent with every renewal will either force him to take out a mining license or give up the prospecting one.

5. Even this increase of rent may not detract some persons from speculating in prospecting work and so a maximum limit to the number of renewals may also be fixed, say six by which time the licensee must make up his mind either to take out a mining license or abandon the prospecting one.

6. At present, whether one holds a prospecting license or a mining lease, one enjoys the same privileges in regard to the quantity of the ore removed and the use that is made of the mineral. The prospecting license holder is in this way enabled to get an advantage over the mining lease holder as the latter will have to pay royalty in addition to rent. To prevent undue advantage being taken, in Western Australia, a limit of 50 tons has been fixed ~~over~~ for the ~~amount~~ quantity of ore that can be removed under a prospecting license. If a man wants to remove more than that quantity, he must do so only with the special permission of the Department. We may also adopt a similar limit, as the field of prospecting is quite different from that of mining.

Mining Leases.

7. Coming now to the question of mining leases, the following modifications seem necessary:-

(1) Firstly, the maximum limit for which a lease could be given in Mysore to any individual or a corporate body is 1 square mile. In all other countries except Victoria, the maximum limit does not exceed 200 acres for gold and other metals. In the case of coal or oil alone, the maximum ranges from half to one square mile. The minimum for gold is 24 acres and for precious stones the maximum is 24 acres (Vide statement attached

In order to enable as many people as possible to share in mining enterprises, it seems advisable to reduce the present limit of 1 square mile to 100 acres in the case of all base metals. For precious metals like gold and silver, the limit need not exceed 50 acres and for precious stones about 24 acres.

(2) Secondly, in regard to the term during which the licenses are current, except in one country, viz., New Zealand, the term ranges from 1 to 28 years. In Transval State, particularly, the period for mining licenses in the case of gold and silver is only 3 years. In Quebec, the mining licenses hold good only for one year.

Our rules may be modified in this respect also so as to reduce the term from 30 to 15 years, as in the State of Victoria, for Gold & Silver, and 5 to 7 years in the case of base metals & minerals such as mica, asbestos, kaolin etc.

(3) There is a provision in the Mining Laws of New Zealand which enables in certain cases the purchase on behalf of Government the mining licenses held by individuals, or corporate bodies. Perhaps this may be introduced here with advantage

(4) Another measure of precaution which it seems desirable to adopt is that prevailing in Southern Rhodesia which enjoins that all returns to be submitted by the mining license holders are required to be supported by solemn declarations and certificates in forms that may be pres-

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cribed by Govt. as to the accuracy of the figures furnished.

8. So far as rent and royalty are concerned, our rules seem to be satisfactory. The royalty in other countries is, if anything, lower than in our own. No modification in this respect seems therefore called for.

8.(a) Both in respect of prospecting and mining, a limit may be prescribed for the number of licenses that one individual or a corporate body can hold at one time. In the case of precious metals, more than one license may not be granted. In the case of other metals and minerals, probably a maximum of three may be fixed.

9. The Mysore Mines Regulation of 1906 deals mainly with (1) the protection of mining property, (2) safety and discipline of mining employees and inspection of mines, (3) liability of superintendents and (4) sanitation. But it does not deal with the actual business of mining or prospecting metals, minerals and other substances. In the countries named above, the Mining Acts and Regulations deal mostly with the actual business of mining, etc., which in our State are regulated by the rules issued by executive orders of Govt. The question why these rules should not be codified and included under legislative enactments of the State as in other countries, deserves consideration.

10. The suggestions made above are summarised in the form of a table as under:-

P T O

Subject.	Existing provision.	Provision recommended.
Miner's Certificate or Miner's Right.	None.	The system of issuing certificates to Mysoreans born or domiciled on payment of a fee may be introduced. The certificates are for one year at a time.
Prospecting licenses.	The maximum area to which a man can apply is 10 square miles.	The maximum limit may be fixed at 1 square mile or 640 acres.
	A uniform rate of rent is levied irrespective of the number of renewals.	A progressive rate of rent may be fixed as in New Zealand, the rate going up with every renewal.
	There is no limit to the number of renewals.	The maximum number of renewals may be limited to say six.
	There is no restriction regarding the quantity of ore that can be removed and the use to which the mineral is put.	A restriction similar to the one prevailing in Western Australia may be adopted, the quantity that can be removed being limited to 50 tons.
Mining licenses.	The maximum area is one square mile.	The maximum may be reduced to 100 acres in the case of all ordinary base metals, 50 acres for precious metals like gold and silver and 24 acres for precious stones.
	The term of license is 30 years.	The term may be reduced to 15 years in the case of gold & silver and 25 to years for base metals & minerals.
	Government have not reserved any power to purchase mining leases.	Such a power may be reserved in special cases.
	Lessees are not required to record any solemn declarations as to the correctness of their returns.	They may be required to attach such certificates in future.
Limit to the number of licenses	No limit exists at present	
Codification of the Rules.	The actual business of mining, prospecting, &c. is dealt with only in the rules passed by an executive order of Government.	The question why these rules should not be codified and included in the legislative enactments of the State may be considered

5 A maximum of 3 for base metals & minerals & one for Gold, Silver & other precious metals may be fixed.

A M R
19.9.16.

	Mysore	New Zealand	Western Australia	Victoria
			I. Prospecting	
Maximum area	10 Square miles	1,000 acres	48 acres outside the limits of another field. 18 acres within the limits 3,000 acres for coal	1 acre for gol 640 acres for other
Term	1 year	1 year	1 year	
Fees	10 Rs per sq. mile			
Surface rent.	Not less than 1 anna & not more than 1 Re per acre	1 d per acre for 1st 2 years 2 d " for 3rd year 3 d " " 4th year 6 d " " 5th year	Cannot remove more than 50 tons of earth containing ore without warden's permission.	
			II. Mining	
Maximum area	1 Square mile	1 to 100 acres	For gold For others In certain cases, 48 acres 96 acres In others 24 " 48 " For coal - 320 acres Precious Stones - 24 acres	640 acre
Term	30 years	63 years	21 years subject to renewal.	15 yea
Surface rent	Re 1 per acre	256 d. per acre or part	For gold 5 S an acre in 1st year & 1 d an acre in future years For others 5 S an acre. In certain cases reducible to 2 S. For coal 6 d an acre	For gold 256 For others not l not more than
Royalty	Gold & Silver - 5% of gross sale value & additional 5% of net profits exceeding £ 25,000. Precious Stones - 20% of net profits Others - 5% of sale value convertible to a 'charge' per ton.	4% of the gross value of the mineral subject to a minimum rent of 256 d per acre	10 S per ounce of gold if it is found along with other minerals. For coal 3 d per ton for 1st 10 years 6 d per ton during the remainder of the term	

	South Australia	Quebec	Transvaal	Southern Rhodesia
Licenses.				
minerals			2,000 x 2,000 sq: ft.	
	1 year		6 months. May be renewed by another 6 months	
	5 shillings			Stamps & 1 pound Sterling
			5 shillings a month.	
Leases.				
	For gold 20 acres For others 40 acres For coal or oil 640 acres	200 acres		
	28 years	1 year	Gold & silver – 3 years For others not less than 5 & not more than 20 years	
an acre than 1 S & for acre	1 S per acre	1 dollar per acre	10 S per 2 acres per annum	5 S per month per acre
	6 d in the pound Sterling on net profits	Royalty in lieu of fees & rental in the discretion of the Lt Governor in Council – maximum of 3% on value of mineral after deducting cost of extraction	2% on the value of the finds at the option of Government.	If the value of the output is below 200 £ a month } nil Above 200 £ and below 3,000 £ } 2½ pounds per centum of total valu

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Department of Geology,

No. 966 Dated, Bangalore, 2nd Oct. 1918.

DIARY NO. 6662

From

B. Jayaram, Esq., F.G.S.,
Offg. Director, Department of Geology,
Bangalore.

19-19 Geol 97-10-14

To

C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government of
H.H. the Maharaja of Mysore, Bangalore.

Sir,

With reference to your letter No.G.6661, dated the 30th September 1918, calling for definite recommendations in regard to the revision of the existing rules for the grant of mining licenses and leases, so as to introduce therein certain features in the mining laws in force in certain foreign countries referred to in the Note prepared by the Under Secretary on duty with the Dewan and forwarded to me with the said letter, I have the honor to request that you will be so good as to return to me at a very early date for reference the marginally noted files of papers leading to the issue of the rules of 1904 and 1910 in regard to the grant of mining licenses and leases in Mysore.

I have the honor to be,

Sir,

Your most obedient servant,

B. Jayaram.

Offg. Director,

Department of Geology.

CVV

1) File of papers containing letter No 7159, dt 4.11.1909 from the Asst First Asst Resident & Ex-Officio Mineral Licenses in Nugpore - dealt with this D.O. No. 2494, dt 8.4.09 cd.

2) File No. 145-A and 145-B/03-04 on the subject of the Rules for the grant of mineral licenses in Nugpore - dealt with this D.O. No 198, dt 18.7-09 cd.

DIARY NO. 8214

W.D.0103—GPB—200—8-10-18

D.M.G. 13]

No. 1336

Encl. one

BANGALORE, 21st November 191 8

Geol 57-6-15

15320

FROM

B. JAYARAM, Esq., F.G.S.,

Offg. Director, Department of Geology,

Mysore State.

To

C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government of
H.H. the Maharaja of Mysore, Bangalore.

SIR,

With reference to your letter No.G.6661, dated the 30th September 1918, I have the honor to state that I have perused with great interest the Note prepared by the Under Secretary on duty with the Dewan, in the matter of the introduction, into our present rules for the grant of mining licenses and leases, of certain features in the mining laws in force in certain foreign countries. The various proposals contained in the note have been examined and I beg to submit herewith for the information and orders of Government, a note containing my views and recommendations in the matter.

2. I regret I have been unable to refer, as I should like to do, to certain files of this office the return of which was asked for in my communications noted in the margin, but as the matter has been pending with me for a long time, I have given expression to my views and recommendations as far as I could without a reference to those files. The recommendations submitted by me are, therefore, to be

Letter No. 966, dated 2nd October 1918.
D.O. " " 1017 " 18th " "

be regarded as liable to any modifications which a reference to the said files may suggest.

I have the honor to be,

Sir,

Your most obedient servant,

B. Jayaram.

Offg. Director,

Department of Geology.

cvv

Note B

MINERS RIGHT.

This partakes of the nature of (1) the certificate of approval prescribed by Rule 7 of the Government of India Rules of the 15th September 1913, and (2) our exploring license.

2. The object of requiring the certificates of approval is that the Government may satisfy themselves that the applicants intend to carry out bonafide prospecting or mining work and that they have sufficient means at their disposal to enable them to do so. Applicants for such certificates may be required to state the mining experience, if any, possessed by them and whether they have received certificates of approval or mining concessions in any other province and to produce some evidence of their intention to carry out bonafide work and of their financial position. The question of the introduction of a rule in Mysore requiring applicants for prospecting licenses or mining leases to possess a certificate of approval, was dismissed after a long and careful consideration at the time of the revision of the Rules of 1910. ~~(vide paper marked ~~ ~~in file No. ~~)~~ In view, however, of the recent activities in connection with the Industrial Department in Mysore, it may be desirable that the question of the introduction of the system of the grant of certificates of approval may now be reopened. It may be noted at the same time that under Rule 13 of our present Rules, power is reserved to Government to refuse to grant a prospecting license in respect of any block, without assigning any reason, and that by virtue of this power, applications for prospecting licenses or mining leases from persons whose bonafide intention to carry out prospecting or mining work

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or financial position is not satisfactory, may be summarily rejected by Government.' However, I see no objection to the suggestion being adopted with advantage.

3. With regard to the proposal to restrict the field of mining enterprise only to Mysoreans, born or domiciled, a relaxation appears to be very desirable, at least in the case of gold, if not all other minerals. Gold mining requires the investment of huge capital, elaborate organization and skilled labour, and Mysore does not yet appear to be sufficiently advanced to provide all these conditions. The huge capital required for gold mining has, therefore, to be generally expected from outside Mysore, but where the required capital is forthcoming from the Mysoreans alone, there would be nothing to prevent preference being given to them. I fully appreciate and sympathize with the contemplated suggestion, but in the interests and reputation of His Highness' Government, I would demur to give an open publicity to this policy which can be equally well carried out by having a tacit good understanding between the Government and the Department of Mines and Geology.

Prospecting licenses.

4. The considerations that have led to the adoption of the present maximum limit of ten square miles have been clearly indicated in paras 23 to 32 of Dr. W.F. Smeeth's letter No.609, dated the 25th August 1908, to the First Assistant to the Hon. The Resident in Mysore. Although it is desirable to reduce the present limit of ten square miles with a view to afford opportunities to as many people as possible to profit themselves by mining enterprise, the views expressed in the aforesaid communication show that it is advisable that a substantial area should be made available to our prospectors, in order to encourage them to spend their time and money in the development

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development of the mineral deposits. The conditions in regard to the occurrence of minerals in Mysore, especially those other than gold such as Manganese, Chrome, Kaolin, Asbestos, Magnesite, Mica, Corundum and Ochres, are such that a large area will, in most cases, be necessary for a profitable industry in these minerals. The monopoly recently granted to Mr. M.L. Vardhamaniah for Asbestos blocks in the two districts of Mysore and Hassan, and the preferential rights conceded to Mr. S. Narayanasawmy Iyer in respect of Ochres and other paint materials in the districts of Tumkur and Chitaldrug, may perhaps be cited as instances in which the need for large areas has already been recognised by Government. There is also the fact that the present maximum of ten square miles, has not so far given cause for any complaints of hardship on the part of any person interested in the mineral development in Mysore. In fact there is not even a single license in force at present for a block of six square miles or upwards in area. The marginally noted statement shows the number of licenses that are in force at present in respect of blocks of different areas up to ten square miles. It will be seen from this statement that out of the 65 licenses now current as many as 52 or 80 per cent are for blocks of less than two square miles each, that only 8 licenses are held for blocks of between two and three square miles, and that there are only 5 licenses for blocks of between three and six square miles. These figures show that no more lands than are actually necessary have been taken up by our prospectors and there seems to be no

Area.	Number of licenses.
Less than one square mile. ...	16
1 sq. mile and less than 2 sq. miles.	36
2 " miles & " 3 "	8
3 " " 4 "	2
4 " " 5 "	2
5 " " 6 "	1
6 " " 7 "	-
7 " " 8 "	-
8 " " 9 "	-
9 " " 10 "	-
10 square miles.	-
	65

18

no disadvantage by our retaining the present limit of ten square miles. If, as suggested later on, the amendment recommended in regard to the working and removal of the ore from the areas under prospecting licenses be introduced, then there will be no need for any change in the matter.

Renewal of prospecting licenses.

5. Rule 14 of our present rules already provides for the fixing of the annual rent separately for each period of renewal, but we have so far charged only the ordinary rent levied for the original licenses. This is largely due to the fact that in most cases work has been in its infancy. In view of the recent activities, it appears desirable that the power reserved by this rules should be exercised and enhanced rate of rent charged for each renewal. These rates may be as follows,-

For the	first renewal	...	2 as. per acre.
"	second "	...	4 as. "
"	third "	...	6 as. "
"	fourth "	...	8 as. "
"	fifth "	...	12 as. "

6. I do not see any necessity for fixing a maximum limit in regard to the number of renewals, as applications for renewals may be rejected at the discretion of Government under Rule 14. There would however be no harm in fixing the limit at 6 as proposed.

Removal of ore.

7. In the matter of the removal of the ore, our present license confers all the rights of a mining lease. This does not appear to be a wholesome arrangement and an amendment of the rules has long been kept in view by me. It is desirable that only a limited quantity required only for purpose of valuation and experiment should be permitted to be removed under prospecting licenses. A limit of 20 tons would, I think, be sufficient in the case of these minerals in ordinary cases. In special cases permission may be granted by this Department up to a limit of 50 tons.

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The removal of anything more than 50 tons may be required to be made under mining leases. Even the removal of ore to the extent of 20 and 50 tons will be only permissible in the case of ores of no great market value.

Mining leases.

Area. 8. I do not think any change in our present rules is called for in respect of the maximum limit of the area, for the reasons explained above in para 4 under Prospecting Licenses, except in the case of precious stones, in which case the area may be limited to a maximum of 30 acres.

Term. 9. With regard to the reduction of the term of mining leases from 30 to 15 years in the case of gold and silver, and to 5 to 10 years in the case of base metals and minerals, I should like to point out that the leases carry with them a promise of renewal at the end of their original term and that although the term of the leases is fixed at 30 years, due provision exists for their surrender, as well as for their resumption to Government, at <u>any</u> time within the period of 30 years, either at the option of the lessees or at the discretion of Government in cases of default on the part of the lessees to comply with the provisions of the leases. I cannot say how far such an alteration would meet with the general approbation of the mining experience in British India, but I think it will certainly have a salutary effect of improving the efficiency and briskness of mining operations in addition to giving the Government an earlier chance of renewing or rejecting the leases.

Purchase of mining leases on behalf of Government.

10. The provision in the Mining Laws of New Zealand relating to the reservation to Government of the power to purchase mining licenses is only in respect of a particular block of land in the Land District of Nelson measuring 2100 acres. I do not consider it necessary or desirable to have a similar provision in our rules either generally or specifically for any particular area. The interests of Government in such cases can be safeguarded by imposing special terms under Rules 15 and 33 of our rules in cases where such a reservation is deemed expedient.

W

0307

Solemn declaration.

11. The suggestion made in regard to requiring the holders of mining leases to make solemn declarations and to certify in respect of the accuracy of the figures furnished in the returns submitted by them, may be adopted.

Limit of number of licenses and leases.

12. Some limitation appears to be desirable in regard to the number of prospecting licenses and mining leases that an individual or a corporate body can hold at one time. I think the number of prospecting licenses and mining leases that may be held by one individual may be limited to two in the case of gold and six in the case of each of the less valuable minerals.

Codification of rules.

13 Rules for the grant of licenses and leases may be codified and given the force of a legislative enactment.

Reservation of minerals.

14 In this connection I should like to suggest an additional provision to be made in the rules, so as to reserve to Government minerals which may be required for the development of industries in the State. An additional rule may, if approved, be inserted to the effect that the Government shall be at liberty to refuse licenses or leases for such minerals or to grant the same on such terms and conditions as may be necessary in order to secure to them adequate supplies of such minerals, for their own purposes. The power to refuse licenses or grant them on special terms, is already reserved to Government by rule 13 of the present rules, but it appears to be very desirable that a specific provision should be made in respect of the reservation of the minerals which are required for purposes of Government.

B. Jaya Rao
Offg. Director,
Department of Geology.

Bangalore,
20th November 1918.

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